

## GUAR SEED

### Technical Analysis:

- Candlestick chart pattern indicates indecision in the market.
- Prices closed above 9 and 18 day EMAs supporting the bullish momentum in the short term.
- MACD is moving up in positive region indicates bullish momentum.
- RSI is moving up in the overbought zone and is warranting the bulls.
- Guarseed futures are likely to trade range-bound with firm bias in next session.

### Trade Recommendation – Guarseed NCDEX (February)

Call	Entry	T1	T2	SL
<b>BUY</b>	>2727	2750	2760	2712
Support & Resistance				
S2	S1	PCP	R1	R2
2660	2690	2743	2760	2800



## GUAR GUM

### Technical Analysis:

- Candlestick chart pattern indicates that bullish sentiment in the market.
- Prices closed above 9 and 18 day EMAs supporting the bullish momentum in the short term.
- MACD is moving up in positive region indicates bullish momentum.
- RSI is moving up in the overbought zone and is warranting the bulls.
- Guar gum futures are likely to trade range-bound with firm bias in next session.

### Trade Recommendation – Guargum NCDEX (February)

Call	Entry	T1	T2	SL
<b>BUY</b>	>7120	7160	7180	7090
Support & Resistance				
S2	S1	PCP	R1	R2
6850	6925	7150	7225	7250



### Price Drivers

- Low carry- in stocks.
- Guar gum exports are likely to go up.
- Expectation of better guar seed production this season (2010-11)
- Lower overall arrivals.
- High demand in the markets

### Spot Market Analysis:

- Mostly firm sentiments witnessed in key Guar cash market.
- Strong demand of guar from overseas markets is consistently supporting the domestic prices as domestic guar prices have increased by around 5.75% during last one month while FOB prices have increased by around 21% during the same period.
- Since Pakistan is the second largest exporter of guar gum followed by India but floods in the country had destroyed the guar crop and due to this demand for Indian gum will further increase in near term.
- Market participants are projecting supply shortage in near term and this has made buyers to purchase the commodity at current higher levels.

***Guar seed and gum prices are expected to trade with firm bias in near term in anticipation of reduced arrivals in domestic markets against strong demand.***

Guar Seed And Guar Gum Spot Prices & Arrivals				
Commodity	Centres	Prices 20.01.11	%Change from Prior day	Arrivals 20.01.11
Guar Seed	Jodhpur (Delivery)	2790	4.49	1000
	Jodhpur (Loose)	2535-40	3.89	Nil
	Bikaner	2615-40	8.20	3500
	Nokha	2520	0.80	1000
	Hanumangarh	2650	1.92	200
	Sri-Ganganagar	2590-95	0.97	600
	Adampur	2670-75	2.10	1300
	Sirsa	2680	1.52	400
	Bhiwani	2640-45	1.15	250
	Deesa	2580-85	2.38	600
	Nagaur	2450-75		150
	Dhabwali	-		-
Guar Gum	Jodhpur	7125-30	4.09	N/A
	Bhiwani	7200	2.86	N/A
	Dhabwali	-		N/A

Arrivals in bags & Prices in Rs. /Quintal

Commodity	Centre	Price
Churi	Jodhpur	Rs 1080/quintal
Korma	Jodhpur	Rs 1200/quintal

Country/ Continent	Currency	Value in Rupees
USA	Dollar	45.58
European Union	Euro	61.45
United Kingdom	GBP	72.73

Commodity	Variety	Value
Guargum Split		\$1750/tonne
Guargum Powder	200 Mesh 5000 CPS	\$1800/tonne
	200 Mesh 3500 CPS	\$1850/tonne
Guargum Meal		\$ 340/ tonne

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